File Code No. 330.03



# CITY OF SANTA BARBARA

## **COUNCIL AGENDA REPORT**

**AGENDA DATE:** August 2, 2011

**TO:** Mayor and Councilmembers

**FROM:** Water Resources Division, Public Works Department

**SUBJECT:** Introduction Of Ordinance To Approve The Disposition Of Excess

Portions Of City Land At Vic Trace Reservoir, 740 Dolores Drive

#### **RECOMMENDATION:** That Council:

A. Declare a 0.264 acre portion of the Vic Trace Reservoir property that is owned by the City of Santa Barbara and located at 740 Dolores Drive as excess to the needs of the City; and

B. Introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Disposition of a Certain 0.264 Acre Excess Portion of the Vic Trace Reservoir Property Known As Assessor's Parcel Number 035-033-013 to the Owners of the Adjacent Parcels of the Real Property Commonly Known as 1557, 1547 and 1537 La Cresta Circle in the City of Santa Barbara.

### **DISCUSSION:**

In 1953, the City purchased 14.99 acres of land (Attachment 1) for the construction of the ten million gallon Vic Trace Reservoir, which is an important part of the City's water distribution system. The Vic Trace Reservoir property is known as 740 Dolores Drive, Santa Barbara County Assessor's Parcel Number 035-033-013.

In 1974, a subdivision map of the property adjacent to Vic Trace Reservoir, now commonly known as La Cresta Estates, was approved by City Council. When grading occurred to allow development of La Cresta Estates, the City permitted a fill embankment for three adjacent lots (Lots 4, 5 and 6, now known as 1557, 1547 and 1537 La Cresta Circle) and a drainage swale at the bottom of the slope to be constructed on the City's Vic Trace Reservoir property. At that time, the slope and the drainage swale were constructed without requiring the subdivider to purchase the underlying land or to obtain a permanent easement from the City. However, the "Agreement To Comply With A Condition Of Approval Of Subdivision Of La Cresta Estates" recorded on May 13, 1974 (1974 Agreement), allowed the subdivider and

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successor owners of the lots access to the City's Vic Trace property as required to maintain the slope areas.

In 1975, City Council approved a permit that allowed the owners of the three lots at La Cresta Estates to relocate the Vic Trace Reservoir property fence from the property line at the top of the fill embankment to the bottom of the slope. Unfortunately, the permit approved by Council was not recorded to run with the owners' separate lots and therefore did not provide constructive notice to subsequent owners that the actual property lines between the City's Vic Trace property and La Cresta Estate lots was not located along the fence at the bottom of the slope (Attachment 2) but rather was at the top of the fill embankment. This situation has resulted in confusion, as illustrated by the City approving a pool design and giving a building permit in 2005 to the previous owners of 1557 La Cresta Circle to construct a swimming pool, which has been determined by a survey to be located partially on the City's land. It appears the pool designer and City staff assumed incorrectly that the property line was along the Vic Trace fence.

Neither the fill embankment nor the drainage swale is needed by the City for the operation of Vic Trace Reservoir. Also, the property owners are required by the 1974 Agreement to maintain the fill embankment, which includes existing landscaping and the drainage swale on the City's land. In order to fully acknowledge and give constructive notice regarding the unrecorded permit approved by Council in 1975, the three property owners at 1537, 1547, and 1557 La Cresta Circle were recently given Minor Encroachment Permits, approved by the City Public Works Director, to acknowledge their long use and maintenance of the excess portions of City's land down to the fence line. These individual Minor Encroachment Permits were recently recorded to run with each of the affected lots of La Cresta Estates.

In order to avoid future confusion, and resolve the encroachment issues, it is recommended that the City sell and thereby permanently assign responsibility to the respective owners for their portions of the Vic Trace Reservoir property. In particular, it is recommended that 0.264 acres (11,482 square feet) of the City property be sold to the property owners at a recommended value of \$1.00 per square foot. This value was estimated by City staff based upon the sale price of the nearby undeveloped and unbuildable slope areas which were sold to enable mapping of the Rogers/Mesa Subdivision (Attachment 1). The land value of the 0.264 acre property has been adjusted by City staff to account for risk management and maintenance issues related to the steep slope and the drainage area on the City's excess land and the reservation to be retained by the City allowing use of the property only for certain yard type improvements.

The sale of the excess portions of Vic Trace Reservoir is proposed to be accomplished by the execution of separate Land Purchase Agreements and Grant Deeds, containing use restrictions, with each affected owner. Along with the Agreement and Grant Deeds, each owner would be required to execute a Certificate of Voluntary Merger approval by the City Public Works Department as authorized by Santa Barbara Municipal Code

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Chapter 27.30 and California Government Code Section 66428(a) as necessary to eliminate any newly created interior lot lines caused by the individual Grant Deeds.

In accordance with City Charter Section 520, the City's sale and grant of the excess land at Vic Trace Reservoir to the respective owners must be approved by Council's adoption of an ordinance.

#### **BUDGET/FINANCIAL INFORMATION:**

The current Public Works Engineering Division Fee for the preparation and recordation of Certificates of Voluntary Merger is \$1,320 for each of the three modified La Cresta Circle lots, for a total amount of \$3,960. The sale prices of the excess portions of land paid to the City by each of the affected property owners at 1537, 1547, and 1557 La Cresta Circle would be \$3,213, \$5,491, and \$2,778 respectively, for a total amount of \$11,482.

The owners of the affected lots at La Cresta Estates have incurred various additional costs in the combined approximate amount of \$5,850. Such costs have been related to applications to purchase the excess portions of City land, research of title data, survey by a professional land surveyor of the individual excess slope areas and nearby topographic features, and for preparation of necessary plats and multiple property descriptions. Such data was required for review and use by City staff during analysis, and for preparing various documents relating to the proposed sale of the excess land areas.

It is estimated that the City's costs associated with the follow-up preparation, execution and recordation of the three Grant Deeds and the three Certificates of Voluntary Merger by City Staff will be approximately \$4,000. Also, the City's costs associated with preparing the Council Agenda Report, the Ordinance, and the three Land Purchase Agreements will be approximately \$2,000. There are sufficient funds in the Water Fund operating budget to cover these costs.

**ATTACHMENT(S):** 1. Vic Trace Reservoir Vicinity Map

2. Site Map

**PREPARED BY:** Rebecca Bjork, Water Resources Manager/RR/mh

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office





Vic Trace Reservoir Vicinity Map

Attachment 2



Site Map